Commons by several Chancellors of the Exchequer that it is quite impossible to consider any form of new taxation because the machinery could not undertake it. There has also been great short-sightedness on the part of the business men of the country, who have failed to give the Government a lead in this important matter. Like the Govern-ment, they have taken short views, always hoping that the war might soon be over, and so have left the country with a problem that grows steadily more serious with each half-year as we drift stupidly along the line of least resistance.

Such war finance as I have outlined—drastic and impracticable as it seems—would have paid us. Taxation in war-time, when industry's problem is simplified by the Government's demand for its product, hurts much less than in peace, when industry has not only to turn out the stuff, but also find a buyer—often a more difficult and expensive problem. There is a general belief that by paying for war by loans we hand the business of paying for it on to posterity. In fact, we can no more make posterity pay us back our money than we can carry on war with goods that posterity will produce. Whatever posterity produces it will consume. Whatever it pays in interest and amortisation of our war debt, it will pay to itself. We cannot get

a farthing out of posterity. All we can do, by leaving it a debt charge, is to affect the distribution of its wealth among its members. Each loan that we raise makes us taxpayers collectively poorer now, to the extent of the capital value of the charge on